

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6192**

**BILL NUMBER:** HB 1003

**NOTE PREPARED:** Nov 16, 2009

**BILL AMENDED:**

**SUBJECT:** Contracting of Public Assistance Eligibility.

**FIRST AUTHOR:** Rep. Riecken

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** ☒ GENERAL  
☒ DEDICATED  
☒ FEDERAL

**IMPACT:** State

**Summary of Legislation:** This bill prohibits the Office of the Secretary of Family and Social Services (FSSA), the Division of Family Resources (DFR), and the Office of Medicaid Policy and Planning (OMPP) to contract with another person to administer or process eligibility intake for specified programs. The bill repeals a requirement that a contractor of the specified programs make certain reports.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** This bill would require FSSA to administer and process eligibility for Food Stamps, Medicaid, and Temporary Assistance to Needy Families (TANF) using only state employees. The bill is not clear with regard to what activities are included in the prohibitions for contract services. This provision would take effect upon passage of the bill or on the expiration of any existing contracts that are in effect when the bill becomes effective.

FSSA would be required to hire a sufficient number of employees to maintain the ongoing workflow of the eligibility process. The resources necessary to perform the required work would come from existing appropriations. It is not known at this time if resources above the level of the existing contract and budget would be necessary to transition the privately contracted services to operation by the state.

**Explanation of State Revenues:** 50% of Food Stamps, Medicaid, and TANF administrative expenses are reimbursed by the federal government.

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** FSSA.

**Local Agencies Affected:**

**Information Sources:**

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